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2021

Travis County Auditor's Office Review of Travis County District Attorney's Office Forfeited Property Accounts

Travis County Auditor's Office
Risk Evaluation and Consulting Division

December 29, 2021

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TRAVIS COUNTY
AUDITOR'S OFFICE

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To: Jose Garza
Travis County District Attorney

From: Patti Smith, CPA
Travis County Auditor

Date: December 29, 2021

Subject: Forfeited Property Account Examination

Scheduled as part of our statutory requirements, the Risk Evaluation and Consulting Division (REC) of the Travis County Auditor's Office has completed an examination of the Forfeited Property Accounts (FPA) maintained by the Travis County District Attorney's (DA's) Office. We conducted our examination in accordance with the applicable statutes governing the County Auditor's Office and those relating to County financial and accounting protocols. As a result of our examination, we are providing this report detailing our findings and recommendations.

BACKGROUND

Disposition of state forfeited property is governed by Article 59.06 of the Code of Criminal Procedure. The District Attorney's Office disburses seized funds held in escrow according to the orders in forfeiture judgments. Any forfeited funds awarded to the District Attorney are deposited in an account that may be used solely for official purposes.

EXAMINATION METHODOLOGY

Our work was based on applying sampling procedures to office records and on verbal and written representations from the District Attorney's Office. Sampling relates to examining, on a test basis, evidence supporting the amounts and disclosures in the financial records and statements. The use of sampling techniques would not necessarily disclose all matters in the forfeited property financial statements, financial records, and financial controls that might signify material weaknesses or misstatements. Regarding the written and verbal representations made by the DA's Office, unless otherwise noted in this report, office management maintains that the assertions we relied upon in the examination were correct to the best of their knowledge.

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SCOPE OF EXAMINATION

This examination included an assessment of the adequacy and effectiveness of the overall system of financial controls in place for the District Attorney's Forfeited Property Accounts during the period September 1, 2020 to August 31, 2021. The scope of this examination included a review of the overall internal controls in place with respect to compliance with state guidelines, and deposits and disbursements of forfeited funds, including any accrued interest.

SUMMARY OF FINDINGS

No significant findings noted.

ATTACHMENTS

Attachment A: Copies of financial statements for the DA's FPA accounts for August 31, 2021, are provided in Attachment A. These statements include a detailed statement of revenues, expenditures and changes in fund balance, and a balance sheet for the forfeited property account. In addition, a statement of fiduciary assets and liabilities for the escrow account is included in the attachment. The express purpose of presenting these statements is to provide feedback to Travis County officials. These financial statements have not been audited by Travis County's external auditors.

EXAMINATION TEAM

Amanda Muehlberg, Lead Auditor
Frank Williams, Staff Auditor

CLOSING

This report is intended solely for the information and use of your office and the Commissioners Court. We greatly appreciate the cooperation and assistance received from the management and staff of the Travis County District Attorney's Office during this examination. Please contact us if you have any questions or concerns regarding this report.

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David Jungerman, CIA
Chief Assistant County Auditor II
Risk Evaluation & Consulting Division

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Patti Smith
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Patti Smith, CPA
Travis County Auditor

REPORT DISTRIBUTION

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ATTACHMENT A – FINANCIAL STATEMENTS

District Attorney Forfeited Property Escrow Account
Statement of Fiduciary Assets and Liabilities
Agency Fund
August 31, 2021

Assets

Cash	$	245,210
CD's		985,040
Total assets		1,230,250

Liabilities

Due to Other Govt'l Entity	$	-
Other liabilities		1,230,250
Total liabilities		1,230,250
Net Assets	$	-

NOTE: The express purpose of presenting this financial statement and the appropriate findings is to comply with applicable local government code statutes and to provide internal control feedback to Travis County officials. This statement has not been audited by the County's external auditors.

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District Attorney Forfeited Property Account
Special Revenue Fund
Balance Sheet
August 31, 2021

Assets		
Cash	$	1,077,034
Other receivables		
Total assets	$	1,077,034
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	$	-
Other liabilities		
Total liabilities		
Fund balance:		
Reserved for encumbrances		
Undesignated		
Total fund balances		1,077,034
Total liabilities and fund balances	$	1,077,034

NOTE: The express purpose of presenting this financial statement and the appropriate findings is to comply with applicable local government code statutes and to provide internal control feedback to Travis County officials. This statement has not been audited by the County's external auditors.

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District Attorney Forfeited Property Account
Special Revenue Fund
Detailed Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended August 31, 2021

Revenues:		
Fines and forfeits	$	36,764
Investment income		381
Total revenues		37,145
Expenditures:		
Current:		
Justice system:		
Personnel Costs		5,952
Supplies		2,068
Other Charges		13,523
Total expenditures		21,543
Excess (deficiency) of revenues over expenditures		15,602
Other financing sources (uses):		
Transfers in		-
Transfers out		-
Total other financing sources (uses)		-
Net change in fund balance		15,602
Fund balance - beginning of year		1,061,432
Fund balance - end of year	$	1,077,034

NOTE: The express purpose of presenting this financial statement and the appropriate findings is to comply with applicable local government code statutes and to provide internal control feedback to Travis County officials. This statement has not been audited by the County's external auditors.